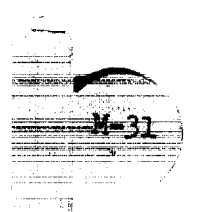


TAB

Approved For Release 1999/09/10 : CIA-RDP82-00283R000100150001-0

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ECONOMIC INTELLIGENCE COMMITTEE

Minutes of Meeting held in
Room 1514, Temporary "M" Building
26th and Constitution Avenue, N.W.

5 November 1953

PRESENT

25X1A9a Dr. Otto E. Guthe, CIA, Chairman
[REDACTED], Jr., CIA, Vice Chairman
Col. William C. Baird, Air Force
Mr. H. S. Bennett, Navy
Mr. Henry Caulfield, Interior
Mr. Edward Doherty, State
Mr. John W. Easton, JCS
Mr. Robert Hirshberg, Foreign Operations Administration
Mr. J. Duncan Holmes, Army
Dr. Edward Mullins, Defense
Mr. Fred J. Rossiter, Agriculture
Col. George Russell, Army
25X1A9a [REDACTED] Requirements Subcommittee Secretary, CIA
[REDACTED], CIA

APPROVAL OF MINUTES

1. Action: The minutes of the Economic Intelligence Committee meeting of 3 September 1953 (EIC-M-30) were approved with one correction. The last sentence of paragraph three should read: "After this terms of reference is approved by the EIC, the DCI will be asked to submit the proposal to the IAC for approval."

WSEG REQUEST FOR TRANSPORTATION STUDY

2. Discussion: Col. Russell explained that G-2 was far along on a similar study which he believed would partially meet the need for an Army contribution but which might not precisely correspond in its assumptions to the present draft terms of reference. He hoped in a few days to be in a position either to accept the proposed terms of reference or to suggest modifications.

CURRENT STATUS OF PROJECTS

25X1X4:

25X1X400150001-0

3. Discussion: Dr. Guthe commented on the [REDACTED] pointing out that this program was now a year old and is receiving most favorable reports from consumers of the resulting intelligence.

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25X1X7

4. Action: The EIC agreed that EIC-S-7, "Survey of Economic Intelligence Research on Communist China," should be listed as "suspended" until further notice.

EIC-S-13, "REPORT OF GOVERNMENT SPONSORED EXTERNAL ECONOMIC RESEARCH PROJECTS ON THE SOVIET BLOC"

5. Discussion: Several members had not received this report in time to check with all offices concerned; but, in general, there was approval of the format and usefulness of the report. [REDACTED] suggested that examination of the over-all research situation revealed by EIC-S-11 and EIC-S-13 might well suggest over or under emphasis on certain fields, or raise other research-programming questions for EIC consideration. 25X1A9a

6. Action: It was agreed that important omissions or suggested changes in format should be called in to the EIC Secretariat early the following week, together with an indication of the number of copies required by each agency representative. The Vice Chairman was encouraged to attempt a preliminary breakdown and summary of the composition of research shown by EIC-S-11 and EIC-S-13 to bring out issues which the Committee might wish to consider.

APPROVAL OF THREE NEW SUBCOMMITTEE CHAIEMEN

7. Action: The EIC approved [REDACTED] as Chairman of the Industrial Machinery and Equipment Subcommittee and [REDACTED] as Chairman of the Minerals and Metals Subcommittee. Since several members had not been able to consult their own specialists as to the qualifications of [REDACTED] as Chairman of the Requirements Subcommittee, the EIC decided to postpone approval until early next week. Members were asked to contact the Secretariat by telephone. Special appreciation was expressed of [REDACTED] services as former chairman of the Requirements Subcommittee, and it was suggested that the Chairman send a letter to the State Department putting this appreciation on record. 25X1A9a 25X1A9a 25X1A9a

TERMS OF REFERENCES OF THREE NEW SUBCOMMITTEES

8. Discussion: Concern was expressed that the proposed terms of reference for the Industrial Machinery and Equipment Subcommittee covered so wide a scope as to leave no indication of focus. Furthermore, certain important types of machinery and equipment listed by this Subcommittee seemed to some members more properly to be the concern of other substantive subcommittees - in particular, certain transportation items.

9. Action: The EIC Secretariat was requested to consult with the members, particularly the Army and Air Force representatives, as to their suggestions for changes in the terms of reference for the Industrial Machinery and Equipment Subcommittee. When appropriate changes have been incorporated a revised terms of reference will be presented.

10. The EIC approved the Metals and Minerals Subcommittee Terms of Reference with the change in item D-1-b of the word "intelligence" to "finished intelligence." (This was intended to exclude from listings - both of completed and of planned research - such working documents as would not constitute specific finished intelligence reports.)

11. Members were asked to pass their comments on the Terms of Reference of the Electric Power and Solid Fuels Subcommittee to the EIC Secretariat early the following week.

EIC-S-1/1, "SURVEY OF PRIORITY INTELLIGENCE RESEARCH DEFICIENCIES ON SOVIET BLOC AGRICULTURE"

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12. Discussion: [REDACTED] suggested that, after all such surveys had been completed, a summary over-view should be prepared covering the principal deficiencies of the whole economic intelligence field - with an indication as to the portions of these priority gaps being covered by each of the various agencies.

13. Action: In line with the survey's recommendation that CIA undertake research to correct the priority deficiencies listed for the field of agriculture, Dr. Guthe indicated that ORR was prepared to proceed with this responsibility. The EIC then approved the survey with the following change in format. The heading of the fifth column of all such surveys shall read "Recommended Action."

EIC-S-1/4, "SURVEY OF PRIORITY INTELLIGENCE DEFICIENCIES OF RESEARCH ON THE PETROLEUM INDUSTRY IN THE SOVIET BLOC"

14. Action: It was requested that comments on this survey be submitted to the EIC Secretariat before the end of the following week.

REQUEST FOR PROJECT AUTHORITY - ELECTRONICS AND TELECOMMUNICATIONS SUBCOMMITTEE

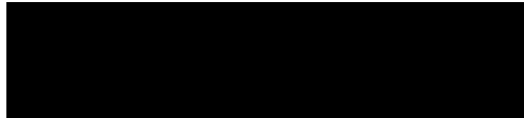
15. Discussion: The view of the Committee was that the IWG request should not have been put directly to the EIC but rather submitted on a parallel level to the Electronics and Telecommunications Subcommittee. The Subcommittee should then give the EIC its own views as to the appropriateness of undertaking the specific project requested and the work load probably required.

16. Action: The Vice Chairman should request the Chairman of the IWG to redirect his communication, and should also instruct the chairman of the subcommittee as to further procedure.

ANNOUNCEMENT OF NEW MEMBERS

17. Action: It was requested that any comments be forwarded to the EIC Secretariat by next week. In the absence of objections by 14 November, the new members will be considered as approved.

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Vice Chairman ✓
Economic Intelligence Committee

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